



# NORTHEAST IDAHO

BONNEVILLE, BUTTE, CLARK, CUSTER, FREMONT, JEFFERSON, LEMHI, MADISON, & TETON COUNTIES

## EMPLOYMENT TRENDS

October's seasonally-adjusted unemployment rate for the Bonneville Labor Market Area (LMA) decreased two-tenths of a percentage point from September 2001. Currently at 3.3 percent, the LMA includes Jefferson County at 2.8 percent, Bonneville County at 2.9 percent, Butte County at 3.2 percent, and Bingham County at 4.3 percent. All the counties showed an unemployment decrease for the month with the exception of Butte County, which increased three-tenths of a percentage point because of recent layoffs at the Idaho National Engineering and Environmental Laboratory (INEEL). A comparison to the same month a year before shows that the LMA decreased two-tenths of a percentage point as each county decreased with the exception of Bingham which increased three-tenths of a percentage point. Bingham County's rate is usually affected in the fall months as warehouses and processing plants shut down for annual maintenance of facilities, but harvest time (which is the main variable for layoff times) fluctuates each year depending on crop maturation and weather.

Most of the other counties in the Northeast area that are not included in the LMA saw an unemployment rate decrease over the month with the exception of Fremont County, which experienced an increase of three-tenths of a percentage point. All of these counties showed decreases on a year-over-year comparison. These five counties include Clark (3.3 percent), Custer (5.4 percent), Fremont (5.5 percent), Lemhi (5.9 percent), Madison (1.7 percent), and Teton (2.0 percent). Agricultural activity and the return of students to school accounted for most of the monthly fluctuations while a focus on economic development in the rural areas has helped bring down the rates from a year ago. Idaho Falls, the largest city in the LMA, decreased three-tenths of a percentage

Northeast Idaho Table 1: Labor Force & Employment  
Bonneville, Bingham, Butte, & Jefferson counties

	Oct 2001*	Sept 2001	Oct 2000	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<b>Seasonally Adjusted</b>					
Civilian Labor Force	83,550	82,690	80,200	1.0	4.2
Unemployment	2,720	2,880	2,790	-5.6	-2.5
% of Labor Force Unemployed	3.3%	3.5%	3.5%		
Total Employment	80,830	79,810	77,410	1.3	4.4
<b>Unadjusted</b>					
Civilian Labor Force	84,880	84,180	81,470	0.8	4.2
Unemployment	2,270	3,050	2,310	-25.6	-1.7
% of Labor Force Unemployed	2.7%	3.6%	2.8%		
Total Employment	82,600	81,130	79,160	1.8	4.3
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs**</b>	63,890	63,830	62,860	0.1	1.6
<b>Goods-Producing Industries</b>	10,280	10,370	9,280	-0.9	10.8
Mining & Construction	5,240	5,330	4,170	-1.7	25.7
Manufacturing	5,040	5,040	5,110	0.0	-1.4
Food Processing	2,610	2,520	2,660	3.6	-1.9
Ind. & Com. Mach. & Computer Equip.	410	460	530	-10.9	-22.6
All Other Manufacturing	2,020	2,060	1,920	-1.9	5.2
<b>Service-Producing Industries</b>	53,610	53,460	53,580	0.3	0.1
Transportation, Comm., & Utilities	2,430	2,400	2,390	1.3	1.7
Wholesale Trade	5,990	5,850	6,000	2.4	-0.2
Retail Trade	11,160	11,220	11,630	-0.5	-4.0
Finance, Insurance, & Real Estate	1,900	1,890	1,880	0.5	1.1
Services	21,490	21,770	21,290	-1.3	0.9
Government Administration	5,600	5,790	5,180	-3.3	8.1
Government Education	5,040	4,540	5,210	11.0	-3.3
*Preliminary Estimate					
**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month					

point from September 2001 and from October 2000 to a current rate of 3.0 percent.

*Nonfarm Payroll Jobs* (jobs by place of work) increased by 60 over the month for a total of 63,890 jobs in the LMA. *Goods-Producing Industries* decreased 90 jobs, all in *Construction*. Both *Heavy Construction* and *Special Trade Contractors* sectors equally contributed to this decrease. Weather in middle to late fall generally halts most outdoor construction jobs. This October remained unseasonably warm, prolonging construction activity. The drop in jobs over the month was mild in comparison to other years. Larger drops in this industry will come over the next several months.

*Service-Producing Industries* increased by 150 jobs over the month. *Wholesale Trade* (140 jobs) grew in *Nondurables* as crops were harvested and the new season started. *Government Education* increased by 500 jobs as schools staffed for their needs. Small increases were seen in *Transportation (Trucking and Warehousing)* and *Finance (Depository and Non-depository Institutions)*. *Services* decreased by 280 jobs (80 in *Hotels & Other Lodging* and 130 in *Misc. Amusement, Recreation Serv.*) as the tourist and recreation season came to a

seasonal end. *Government Administration* lost 190 jobs (*Local Administration*) as many temporary jobs ended. *Retail Trade* experienced an overall decrease of 60 jobs with equal decreases in *Building Materials & Garden Supplies* and *Eating & Drinking Places*, and a slight decrease in *Automotive Dealers*. These decreases were offset somewhat by an increase in *General Merchandise*. Most of this activity came as a result of normal buying patterns in the economy based on the time of year.

Looking year-over-year, *Nonfarm Payroll Jobs* increased by 1,030 jobs—*Goods-Producing Industries* increased by 1,000 and *Service-Producing Industries* increased by 30. *Construction* was by far the largest contributor to the increase as *Special Trade Contractors* (650), *Heavy Construction* (270), and *Building* (150) all saw increases. The main loss in *Manufacturing* stemmed from the *Industrial Machinery* sector as agricultural-related businesses have taken some hard hits over the past few years; this past season was especially hard for some. An overabundance of potatoes produced last season lowered the overall prices and lack of water, along with energy buyouts, kept some farmers from growing crops this year. *Retail Trade* experienced the largest loss (470) as *Eating & Drinking* decreased 430. A few establishments shut down over the year while trimming of the workforce has occurred in others. *Services* showed an increase as the 650 jobs lost in *Engineering & Management* (from restructuring at the INEEL) were offset by increases in *Business Services* (240), *Health Services* (210), and *Social Services* (230). *Government Administration* increased the most in the *Service-Producing Industries* with the *Federal Government* adding over 470 jobs.

## SPECIAL TOPIC

### Construction Activity

According to Wells Fargo's *Idaho Construction Report*, construction activity is up in the area. Cities considered for this section include Blackfoot, Idaho Falls, Ammon, Rexburg, Rigby, Salmon, and St. Anthony. Results show that August 2001's new residential permit value at over \$6 million—more than double the August 2000 value of \$3 million. A substantial part of the increase was in Ammon, a town bordering Idaho Falls to the east, which surpassed the 2000 value at over \$3 million. Construction activity began when the Edwards 14-Plex Theatres on Hitt Road opened several years ago, and many housing subdivisions appeared in Ammon over the year as a result. The permit value accounts for 72 new dwelling units in 2001 compared to 40 in 2000. New nonresidential (commercial) permit value shows a drastic increase from \$550,000 in August 2000 to more than \$7.6 million for August 2001 value. Permit values in Rexburg increased over \$6 million (BYU-Idaho expansions). Idaho Falls permit values also increased from \$243,000 to \$937,000.

Since a one-month period provides only a small picture and can be somewhat skewed with timing of requests and issuance of permits, a cumulative eight-month focus follows. A total of 519 new dwelling units in 2001 surpassed the 373 units in 2000 units—a 39.1 percent increase. New residential permit values increased 39.8 percent to the most recent value of almost \$40 million. New nonresidential permit values also increased 31.8 percent over the year to a current \$26 million. Notable increases in residential dwelling were seen in Rexburg (\$8 million), Ammon (\$5 million), and Idaho Falls (\$2 million). Nonresidential increases were heavily noted in Rexburg (\$8 million) and Idaho Falls (\$700,000) with a large decrease seen in Ammon (\$3 million). Most residential growth in Ammon was seen in 1999 and 2000 with the opening of the Edwards 14-Plex Theatres. There hasn't been much activity in 2001. These construction figures support the increases that have been noted in *Construction* jobs over the past two years.

## AREA DEVELOPMENTS

### Idaho National Engineering and Environmental Laboratory (INEEL)

The Idaho National Engineering and Environmental Laboratory (INEEL) main contractor, Bechtel BWXT, Idaho LLC, just conducted its most recent set of layoffs (around 125 workers) following an offer of early retirements and voluntary separations earlier this year. The separations were originally calculated to be around 1,200 workers, but ended up being roughly 750 since cleanup goals still need to be met. The separations were part of a restructuring plan brought on by anticipated flat funding in the national environmental management budget.

When Bechtel BWXT, Idaho LLC took over as prime contractor of the INEEL, it set a goal of helping the surrounding counties and the state with economic development. The goal was to help generate 2,400 jobs within five years. Bechtel just announced that it exceeded its goal for job creation in Idaho in only two years. Many of the new jobs (2,433 in all) were in customer service centers, with Center Partners and Tele-Servicing Innovations being some of the larger benefactors able to expand their workforce with the funding. Most of these jobs were in northern Idaho, although the majority of the money spent was on agencies and companies that had headquarters in the seven counties located nearest the INEEL. Chris Hertz, INEEL's economic development director, is hopeful that 600 more jobs will be created over the next three years. Focus on retraining workers in their current workplace is just as important as their job creation goals. In a general outlook, the all-encompassing goal is to work in conjunction with other

*(Continued on next page)*

---

**Northeast Idaho**—(Continued from previous page)

---

economic development organizations and the universities in Idaho to strengthen Idaho's economy.

Evergreen Recycling International, located in Alfred Station, New York, just signed an exclusive license with the INEEL to commercialize technology. Technology patented by the INEEL in conjunction with the Idaho Accelerator Center from Idaho State University uses high-energy X-rays to decompose hazardous organic compounds into harmless components of water, carbon dioxide, and salt. An accelerator speeds up electrons and crashes them into a target to give off energy as X-rays. Once the accelerator is turned off, the materials or liquids that have been treated are no longer radioactive, thus the term "green radiation" is used to indicate the process can be used for the purpose of safe environmental cleanup. Once the INEEL patented the technology, it became known to the commercial world and Evergreen took interest. Using this process, Evergreen sees potential for industries, utilities, and municipalities to dechlorinate oil and sell it as heating oil or fuel for electricity generation.

**CHC Funding Helps the LMA with Improvements**

CHC Foundation was established with money gener-

ated from the sale of the old Sacred Heart/Community/Parkview Hospital on South Boulevard. The foundation distributes grants throughout eastern Idaho (the area the hospital once served) from interest the money generates. The money is granted every spring and fall to support medical, social, recreational, cultural, and educational needs. The following is a list of this fall's recipients of grants more than \$5,000:

♦ Idaho Falls Family YMCA .....	\$100,000
♦ Bonneville County Historical Society .....	\$300,00
♦ Bonneville School District .....	\$45,000
♦ Lemhi County Crisis Intervention .....	\$56,000
♦ A.R.M. Ministries .....	\$35,000
♦ Targhee Regional Public Transit Authority ...	\$46,000
♦ Upper Valley Free Clinic .....	\$13,484
♦ Clark County .....	\$10,000
♦ EISSA .....	\$10,000

---

Tanya Albán, Regional Labor Economist  
150 Shoup Avenue, Idaho Falls, ID 83402  
(208) 542-5628  
E-mail: talban@labor.state.id.us

---